

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



March 31, 2000

COUNTY FISCAL LETTER (CFL) NO. 99/00-51

**TO: COUNTY WELFARE DIRECTORS
COUNTY FISCAL OFFICERS
COUNTY PROBATION OFFICERS
COUNTY DISTRICT ATTORNEYS**

**SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CalWORKS) PERFORMANCE INCENTIVES-REVISED REPORTS
OF PERFORMANCE INCENTIVES FOR GRANT REDUCTIONS DUE TO
EMPLOYMENT EARNINGS AND DIVERSION**

**REFERENCE: CFL No. 98/99-54, dated November 20, 1998.
CFL No. 98/99-72, dated April 15, 1999.**

The purpose of this CFL is to provide counties with the revised Reports of Performance Incentives for Grant Reductions Due to Employment Earnings and Diversion. The implementation of the Separate State Program for Two Parent Families in October 1999 resulted in changes to the reporting of County Performance Incentives.

The CW 801, 801.1 and 801.2 forms have been revised to reflect the changes. Attachment A summarizes the revised forms. The revised forms are available as camera-ready copies. To obtain copies, please contact:

California Department of Social Services
Forms Management Unit
744 P Street, M.S. 7-182
Sacramento, CA 95814
Telephone Number: (916) 657-1907

The effective claim month is October 1999. The filing date for the October 1999 through April 2000 CW 801s has been extended to June 20, 2000.

In addition, Attachment B provides the State Fiscal Year (SFY) 1998/99 Temporary Assistance to Needy Families (TANF) Average Monthly Payments that are used in the diversion calculation.

If you have any questions regarding the instructions or information provided in this CFL, please contact your Fiscal Policy Analyst at (916) 657-3440.

Sincerely,

**Original Signed on
March 31, 2000**

GEORGE E. PEACHER, JR., Chief
Fiscal Systems and Accounting Branch

c: CWDA

Attachments

Attachment A

REVISED REPORTS OF PERFORMANCE INCENTIVES
FOR GRANT REDUCTIONS DUE TO EMPLOYMENT EARNINGS AND
DIVERSION FOR THE CalWORKS PROGRAMS

Form Number	Title
CW 801.1	CalWORKs Earned Employment Income Incentive Summary
CW 801.2	CalWORKs Diversion Grant Savings Summary
CW 801	Summary Report of Performance Incentives for Grant Reductions Due to Employment Earnings and Diversion for CalWORKs

Attachment B

TANF AVERAGE MONTHLY PAYMENTS SFY 98/99

COUNTIES	FAMILY GROUP (FG)	UNEMPLOYED (U)
Alameda	408.33	598.36
Alpine	324.59	453.26
Amador	261.70	444.81
Butte	359.38	547.21
Calaveras	286.81	489.57
Colusa	291.37	407.56
Contra Costa	359.67	543.85
Del Norte	393.74	553.21
El Dorado	188.33	427.13
Fresno	372.89	502.54
Glenn	358.00	536.19
Humboldt	347.49	513.20
Imperial	398.76	452.54
Inyo	316.11	417.64
Kern	376.49	477.35
Kings	323.43	442.59
Lake	334.38	529.26
Lassen	372.04	530.77
Los Angeles	452.01	522.45
Madera	369.70	444.25
Marin	310.78	459.26
Mariposa	278.62	439.38
Mendocino	339.72	468.79
Merced	343.90	481.97
Modoc	408.97	453.28
Mono	332.29	512.89
Monterey	322.09	424.21
Napa	219.46	438.43
Nevada	188.99	353.43
Orange	311.48	435.23
Placer	276.98	433.87
Plumas	304.69	405.47
Riverside	360.68	471.65
Sacramento	399.41	572.39
San Benito	193.94	388.76
San Bernardino	392.13	508.35
San Diego	388.46	496.08
San Francisco	380.62	529.47
San Joaquin	401.79	533.22
San Luis Obispo	343.08	456.26
San Mateo	274.28	457.26
Santa Barbara	321.83	411.58
Santa Clara	308.12	471.16
Santa Cruz	322.25	430.50
Shasta	338.21	475.68
Sierra	305.71	398.56
Siskiyou	316.56	494.35
Solano	373.95	554.85
Sonoma	253.34	407.52
Stanislaus	363.73	495.59
Sutter	322.35	479.36
Tehama	319.54	469.48
Trinity	323.87	520.74
Tulare	351.73	445.67
Tuolumne	297.62	465.87
Ventura	319.75	428.16
Yolo	325.35	473.36
Yuba	400.25	557.70
Statewide Average	397.26	507.02

CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs)
EARNED EMPLOYMENT INCOME INCENTIVE SUMMARY
(INSTRUCTIONS ON REVERSE SIDE OF FORM)

MONTH/YEAR

COUNTY NAME

A. Case or I.D. Number	B. Case Name	C. Disability-based Unearned Income (DUI) and Earned Employment Income (EI) Cases Only		D. Gross Earned Employment Income Cases Only	E. Incentive Earning (Net Earned Income*)		
		Gross DUI	Gross EI		FFP Eligible Cases	Two-Parent Cases	State Only Cases
		\$	\$	\$	\$	\$	\$
TOTAL (FFP, TWO-PARENT AND STATE ONLY COLUMNS)					\$	\$	\$
TOTAL INCENTIVE EARNINGS					\$		

* For Zero Grant Payment cases, see instructions on backside.

INSTRUCTIONS FOR USE OF THE FORM CW 801.1

General Instructions: This summary should only reflect the cases which qualify for performance incentives due to grant reduction due to earnings for the month reported. Cases with subsidized employment wages and cases discontinued because of increased earnings should not be included. Counties should retain this summary. DO NOT SUBMIT WITH CW 801.

1. Enter month/year and county name.
2. **Column A** - Enter the case or county identification number. In order to qualify for performance incentives, cases must have a grant reduction due to earnings (i.e., cases with disability unearned income greater than \$225 and earned employment income or cases with disability unearned income less than \$225 and earned employment income which combined are greater than \$225 or cases with earned employment income greater than \$225.) All appropriate disregards (i.e., \$225 disregard, and 50% disregard of the remaining earned income) should be applied to the income prior to determining that the result is a grant reduction due to the net earned income. Reference ACL 98-45 dated July 1, 1998, Grant Structure and Aid Payment Regulation.
3. **Column B** - Enter case name.
4. **Column C** - Enter the gross income amount for cases that have both disability-based unearned income and employment income.
5. **Column D** - Enter the gross income amount for cases that have employment income only.
6. **Column E** - For incentive earnings, enter the net earned income that results in grant reduction. For TOTAL FFP, enter the total net earned income amount that results in grant reduction for cases that have federal participation. For TOTAL Two-Parent Cases, enter the total net earned income amount that results in grant reduction for these cases. For TOTAL State Only, enter the total net earned income amount that results in grant reduction for cases that are non-federally eligible (i.e., legal immigrants). ² [NOTE: For Zero Grant Payment due to earned income, the Incentive Earning Amount is the benefit amount that the case would have received if there was no earned income (i.e., The MAP for cases with only earned income or the MAP reduced by unearned income that is counted against the grant.)]
7. Total the FFP, Two-Parent, and State Only ¹ columns within Column E and enter the amounts on the CW 801, Line 2B, Line 3B, and Line 5B respectively.
8. Total the Incentive Earnings by adding the FFP, Two-Parent, and State Only Incentive Earnings (Column E). Enter this amount on the CW 801 Line 1, Column B.

¹

- (1) State Only cases are legal immigrant cases funded with state and county funds.
- (2) For incentive earnings of mixed legal immigrant cases, the incentives should be proportionately reported as state and federal funds.

²

- (1) FFP: Aid codes 30, 3P, 33 and 3R.
- (2) Two-Parent Families: Aid code 35.
- (3) State Only: Aid codes 3L, 3G and 3M.
- (4) Mixed Cases: Aid codes 3E, 3H and 3U.

(INSTRUCTIONS ON REVERSE SIDE OF FORM)

MONTH/YEAR
COUNTY

[illegible]

INSTRUCTIONS FOR USE OF THE FORM CW 801.2

General Instructions: This summary should only reflect the cases that qualify for the performance incentives due to Diversion. Counties shall retain this summary. **DO NOT SUBMIT WITH CW 801.**

1. Enter month/year and county name.
2. **Column A** - Enter the case or identification number assigned to the Diversion case.
3. **Column B** - Enter the name(s) of the adult aided individual(s) who participated in the case for the Diversion Program.
4. **Column C** - Enter Social Security Number(s) for each adult aided individual(s) who participated in the case for the Diversion Program. The county should verify through MEDS or SIS whether or not any of the individuals are receiving cash grant within the diversion incentive period
5. **Column D** - Enter the month and year when the diversion payment was issued. ¹
6. **Column E** - Enter the total diversion amount issued to the case. If the total diversion payment was issued in several payments or a mixture of services and cash assistance, enter the total non-cash value and/or cash assistance provided.
7. **Column F** - Enter the Maximum Aid Payment (MAP) amount for the AU at the time of the application.
8. **Column G** - Enter the total number of months off aid to qualify for incentive payment. To calculate the months for each case, begin with and include the Diversion Month (Column D), divide the Diversion Amount (Column E) by the MAP (Column F), then add the required six months off aid after the diversion period. (Diversion Period plus six months.)
9. **Column H** - Enter the amount of the incentive payment for each case by multiplying the appropriate county's prior fiscal year average All Families or Two Parent Families grant times six (the required number of months off aid after the diversion period). For FFP, enter the total incentive payment for cases that have federal participation. For Two-Parent Cases, enter the total incentive payment for these cases. For State only, enter the total incentive payment for cases that are non-federally eligible. ²
10. Total the FFP, Two-Parent, and State Only ³ columns within Column H and enter the amounts on the CW 801, Line 10B, Line 11B and Line 13B respectively.
11. Enter the total of Column H in Line 9B of the Form CW 801.

¹ If client reapplies for a subsequent diversion and has not remained off aid for six months plus the diversion period, the month in which the most recent diversion occurred should be used to qualify this case for performance incentives and calculating the grant savings.

² (1) State Only cases are legal immigrant cases funded with state and county funds only.
(2) For incentive earnings of mixed legal immigrant cases, the incentives should be proportionately reported as state and federal funds.

³ (1) FFP: Aid codes 30, 3P, 33 and 3R.
(2) Two-Parent Families: Aid code 35.
(3) State Only: Aid codes 3L, 3G and 3M.
(4) Mixed cases: Aid codes 3E, 3H and 3U.

**SUMMARY REPORT OF PERFORMANCE INCENTIVES
FOR GRANT REDUCTIONS
DUE TO EMPLOYMENT EARNINGS AND DIVERSION FOR
THE CALIFORNIA WORK OPPORTUNITY AND
RESPONSIBILITIES TO KIDS (CalWORKs)**

(Instructions on Reverse Side of Form)

COUNTY	DATE (MONTH, YEAR)
CONTACT PERSON	TELEPHONE ()

GRANT REDUCTIONS DUE TO EMPLOYMENT EARNINGS	
A. Number of Cases	B. AMOUNTS
	()
	()

1. Total Savings
2. Cases with FFP
3. Two-Parent Families
4. County Share of Savings [(Line 2B + 3B) x .025]
5. State Only Cases
6. County Share of Savings (Line 5B x .05)
7. **TOTAL EMPLOYMENT EARNINGS INCENTIVE**
[(Line 1B - (Line 4B + Line 6B))]

8. PRORATED EMPLOYMENT EARNINGS

A. 75% Earnings (7B x .75)	B. 25% Earnings (7B x .25)

DIVERSION	
Number of Cases	AMOUNTS
	()
	()

9. Total Savings
10. Cases with FFP
11. Two-Parent Families
12. County Share of Savings [(Line 10B + 11B) x .025]
13. State Only Cases
14. County Share of Savings (Line 13B x .05)
15. **TOTAL DIVERSION INCENTIVE**
[Line 9B - (Line 12B + 14B)]

16. PRORATED DIVERSION

A. 75% Diversion (15B x .75)	B. 25% Diversion (15B x .25)

17. GRAND TOTALS

A. 75% Incentive Pool (8A + 16A)	B. 25% Incentive Pool (8B + 16B)	C. Total Incentive Pool (17A + 17B)

Certification and Signatures

I hereby certify, under penalty of perjury, that I am the official responsible for the administration of California Work Opportunity And Responsibility To Kids (CalWORKs) in and for aforesaid county; that I have not violated any of the provisions of Section 1090 to 1096, inclusive, of the Government Code; that the amounts reported herein are in accordance with all provisions of the Welfare and Institutions Code and the rules and regulations of the Department of Social Services.

SIGNATURE OF COUNTY WELFARE DIRECTOR	DATE
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INSTRUCTIONS FOR USE OF FORM CW 801 (INCENTIVES)

(Submit Report to : CDSS, Financial Services Bureau, County Assistance Payment Unit, 744 P Street, M.S. 13-72, Sacramento, CA 95814)

GENERAL INFORMATION

1. Enter county name, and month and year of report in space provided.
2. Enter name and telephone number of county staff person to be contacted if there are any questions regarding this report.
3. All amounts on this form may be rounded to the nearest dollar.

GRANT REDUCTIONS DUE TO EMPLOYMENT EARNINGS

4. Line 1A: Enter the total number of cases that had a grant reduction as a result of earnings due to employment.
5. Line 1B: Enter the **TOTAL INCENTIVE EARNINGS** as computed on the county's Earned Employment Income Incentive Summary (CW 801.1).
6. Line 2A: From the total number of cases in Line 1A, enter the number of cases that included Federal Financial Participation (FFP) funds.
7. Line 2B: Enter the total amount of savings that included FFP from CW 801.1.
8. Line 3A: From the total number of cases in Line 1A, enter the number of cases that were Two-Parent Families and had a grant reduction due to employment earnings.
9. Line 3B: Enter the total amount of savings for Two-Parent Families from CW 801.1.
10. Line 4B: Enter the amount of county share of savings for FFP and Two-Parent Families [(Line 2B plus Line 3B) times .025 county share].
11. Line 5A: From the total number of cases in Line 1A, enter the number of cases that were state only (i.e., legal immigrant) cases and had a grant reduction due to employment earnings.¹
12. Line 5B: Enter the total amount, both state and county share of funds, for the state only cases that resulted in incentive earnings from CW 801.1.
13. Line 6B: Enter the amount of county share of savings for state only cases (Line 5B times .05 county share).
14. Line 7B: Compute and enter the total employment earnings incentive amount [Line 1B minus (Line 4B plus Line 6B)].
15. Line 8A: Enter the amount of the incentives - 75 percent of earnings (Line 7B times .75).
16. Line 8B: Enter the amount of the incentives - 25 percent of earnings (Line 7B times .25).

DIVERSION

17. Line 9A: Enter the total number of cases that have stayed off aid for six months in addition to the the diversion period.
18. Line 9B: Enter the **TOTAL INCENTIVE EARNINGS** as computed on the county's Diversion Grant Savings Summary (CW 801.2).
19. Line 10A: From the total number of cases in Line 9A, enter the number of cases that included FFP funds.
20. Line 10B: Enter the total amount of savings that include FFP from CW 801.2.
21. Line 11A: From the total number of cases in Line 9A, enter the number of cases that were Two-Parent Families and have stayed off aid for six months in addition to the diversion period.
22. Line 11B: Enter the total amount of savings for Two-Parent Families from CW 801.2.
23. Line 12B: Enter the amount of county share of savings for FFP and Two-Parent Families [(Line 10B plus 11B) times .025 county share].
24. Line 13A: From the total number of cases in Line 9A, enter the number of state only (i.e., legal immigrant) cases and have stayed off aid for six months in addition to the diversion period.¹
25. Line 13B: Enter the total amount, both state and county share of funds, for state only cases that result in incentive earnings from CW 801.2.
26. Line 14B: Enter the county share for state only cases (Line 13B times .05 county share).
27. Line 15B: Compute and enter the total diversion incentive amount [Line 9B minus (Line 12B plus Line 14B)].
28. Line 16A: Enter the amount of the incentives - 75 percent of diversion (Line 15B times .75).
29. Line 16B: Enter the amount of the incentives - 25 percent of diversion (Line 15B times .25).

COMPUTE GRAND TOTAL FOR DISTRIBUTION OF INCENTIVE POOLS

30. Line 17A: Complete with 75 percent of the amount of the total incentive earnings - (Line 8A + Line 16A).
31. Line 17B: Complete with 25 percent of the amount of the total incentive earnings - (Line 8B + Line 16B).
32. Line 17C: Enter the total of the incentive earnings - (Line 17A + Line 17B).

¹ For incentive earnings of mixed legal immigrant cases, the incentives should be proportionately reported as state and federal funds.